

Add the following sub-section 109.12 "Subcontractor Prompt Payment" to "Section 109 "Measurement and Payment" specification, page 1-73 of the R.I. Department of Transportation, Standard Specifications for Road and Bridge Construction, 1997 Edition.

## SECTION 109

### MEASUREMENT AND PAYMENT

**109.12 SUBCONTRACTOR PROMPT PAYMENT:** The Prime Contractor shall make prompt payment for satisfactory subcontract work for which RIDOT has made partial or full payment. The term "subcontractor" as used herein, is defined in Section 101.70 Subcontractor,.

After the initial partial payment, the Engineer will not make any progress payments for work performed by the Prime Contractor until the Prime Contractor certifies that payment has been disbursed to all subcontractors, having an interest in the Contract, their full pro rata share of any previous progress payment within 30 days from receipt of the actual check from the State. The Prime Contractor shall submit to the Engineer prior to the next partial payment an executed FORM C-100, CERTIFICATION OF PROGRESS PAYMENT, for each subcontractor. Each subcontractor will be paid their full pro rata share, unless the Contractor submits to the Engineer documentation which demonstrates good cause for not making any required payment and that such good cause as submitted is accepted by the Engineer. While good cause is under review, payments will continue. Once good cause is accepted by the Engineer, the Contractor shall provide written notification of any such good cause to the affected subcontractor. If good cause is not accepted and the Contractor elects not to proceed with arbitration under **109.12.2 Dispute Resolution**, the Contractor will be expected to pay the subcontractor and no further payment to the Prime Contractor will be made until verification of payment is documented on form C-100 as described above.

The subcontractor, within 10 days of receipt of payment, shall submit to the Prime Contractor an executed C-100 for each of their subcontractors **and** for any persons or firms furnishing materials or equipment incorporated into the work. If the subcontractor fails to submit a certification of progress payment to the Prime Contractor within this time, that shall be sufficient documentation of good cause for the Prime Contractor.

**109.12.1 Final subcontractor payments:** When a subcontractor's work is satisfactorily complete (ie., all the tasks called for in the subcontract have been accomplished and documented, and RIDOT has partially accepted the work and all payments have been certified by the Contractor and the subcontractor on form C-100, the Prime Contractor shall release all retainage held by the Prime Contractor, within 30 days of satisfactory completion of the subcontractor's work. The subcontractor shall submit to the Prime Contractor the final executed C-100 within 10 days of receipt of payment.

**109.12.2 Dispute Resolution:** Disputes may result between the Prime Contractor and a Subcontractor as documented as part of good cause for temporary non payment. The Prime Contractor or subcontractor may submit a dispute. The documentation submitted to the Engineer shall include, but not be necessarily limited to the following; who the dispute is between, the reason for the dispute and the amount of dollars in dispute. Once the dispute is received, the Engineer will withhold an equal amount as noted in the dispute from the following progress payment. The Prime Contractor and subcontractor shall settle the dispute by a mutually agreed upon arbitrator. The cost of arbitration shall be paid for by whichever party is found at fault as determined by the arbitrator.